APPENDIX I.

[Vide answer to starred question No. 1226 asked by Sri K. Krishna Rao at the meeting of the Legislative Assembly held on 29th July 1953, page 1638 supra.]

Proceedings of the Registrar of Co-operative Societies R.C. No. 120760 of 1952 F.I., dated 10th March 1953.

ORDER UNDER SECTION 43 (1) OF THE MADRAS CO-OPERATIVE SOCIETIES ACT VI OF 1932.

The affairs of the Mangalagiri Weavers' Co-operative Production and Sale Society, Limited, were not satisfactory for some time. A notice under section 43 (1) of the Madras Co-operative Societies Act VI of 1932 was therefore issued to its Committee to show cause why it should not be superseded. The defects indicated in the notice, the reply of the Committee thereto and my conclusions thereon are set out below :—

(1) The Committee admitted the following non-weavers as members of the Society in contravention of the orders contained in G.O. Ms. No. 1202, Development, dated 19th March 1947 :—

General number.	*Date of admission.*
968	22nd July 1952.
969	9th August 1952.
970	Do.
971	14th August 1952.
972	Do.

It also continued the following non-weaver members on the rolls of the Society instead of removing them from membership in pursuance of the said Government Order :—

Gl. Nos. 486, 487, 489, 491, 509, 619, 807, 814 *and* 904.—In its reply, the Committee stated that Gl. No. 968 held yarn ration card since 1945, that he was never a master weaver and that he was member of the Yarn Advisory Committee representing the weavers.

This explanation is not acceptable. The fact that one belongs to the weavers' community does not qualify him to be eligible for membership in a weavers' society. Gl. No. 968 has no loom. He does not weave. He is therefore a non-weaver. He should not have been admitted as a member of the Society. His admission is irregular.

As regards the other four members, the Committee stated that Gl. Nos. 969, 971 and 972 were admitted to supply warped and sized yarn to the Society. Warping and sizing do not come under weaving. The above three persons are therefore non-weavers and

their admission into the Society is irregular. Nothing is stated about the admission of Gl. No. 970 in the explanation of the President. Evidently he has no explanation to offer.

As regards the continuance of the non-weaver members of the Society, the Committee stated that Gl. Nos. 486, 489, 491, 509, and 904 had been removed. The Deputy Registrar, Guntur, has reported that they were removed after he submitted proposals for the supersession of the Committee because they belonged to the opposite group. As regards Gl. No. 487, the Committee stated that he was no other than the present Gl. No. 968 whose admission was explained as above. As stated already, he is not an active weaver and cannot therefore continue as member. In respect of Gl. Nos. 619 and 807, the Committee states that they have looms. possess ration cards and that they are therefore weavers. The Deputy Registrar has reported that they have no active looms and cannot therefore be classified as weavers. As to Gl. No. 814, the Committee stated that he was a weaver by caste, sympathiser and well-wisher of the Handloom Weavers' community. But he is a doctor by profession. He does not know weaving and has no interest in the handloom industry. His continuance as a member of the Society is irregular.

The Committee further stated that by-law 19 did not restrict non-weavers to get themselves admitted as members of the Society. In their Order No. 1902, Development, dated 19th March 1947, Government ordered that weavers' co-operative societies should be composed exclusively of weavers. The societies were therefore asked to amend their by-laws 5 and 19 suitably. The admission or continuance of persons other than weavers as members in the face of the orders of Government is irregular.

(2) The Committee re-admitted the following non-weaver members, who were removed from the Society on 19th September 1951, in violation of rule XVIII (B) of the rules framed under the Madras Co-operative Societies Act VI of 1932 and in disregard of the instructions of the Deputy Registrar, Guntur, issued in his notice R.C. No. 3952/52, dated 9th July 1952.

(i) Sri Panidapu Lakshmikanta Rao, non-weaver and Secretary, Master Weavers' Association, Mangalagiri.

(ii) Sri Kandur Ramiah, non-weaver and dealer in Handloom cloth.

(iii) Sri Venigandla Narasimhaswamy, non-weaver.

The Committee replied that Sri Panidapu Lakshmikantarao and Sri Venigundla Narasimhaswamy were not members and that the position of Kandur Ramiah Gl. No. 968 was as explained in paragraph 1.

As already stated in paragraph (1) above, Sri Kandur Ramiah is not an active weaver and cannot therefore be a member of the Society. He was expelled by the general body on 19th September

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1951 and according to rule XVIII (B) of the rules framed under the Co-operative Societies Act, he should not have been re-admitted within a period of two years without the permission of the Registrar. In the case of S. Nos. (1) and (3) above, the Board passed a resolution on 2nd July 1952 to re-admit them. The passing of such a resolution also is ultra vires of rule XVIII (B).

(3) The Committee paid wages at rates higher than those fixed in the quarterly conference of Weavers' Co-operative Societies on 26th April 1952. In that conference the wages for 40s yarn per knot were fixed at Re. 0–8–0. But the Committee paid wages at Re. 0–12–0 per knot up to 30th June 1952 and at Rupee 0–9–6 from 1st July 1952 with the result that it could not find a market for the accumulated stocks.

The Committee stated that the wages were paid according to the conditions prevailing in the village, that the wages paid went to the weaver members of the Society and that it was paying wages at Re. 0–8–0 per knot from 1st December 1952 onwards.

The explanation of the Committe that the wages were paid according to the prevailing local conditions cannot be accepted. The rates of wages have to be regulated according to the resolutions of the conference of weavers societies in the district. The statement that it was allowing a rate of Re. 0–8–0 per knot from 1st December 1952 as per resolution of the conference is a clear admission that it was not doing so previously. The Deputy Registrar reports that even the statement that it was paying wages at Re. 0–8–0 per knot is not correct. He states that in order to show that the Society is paying Re. 0–8–0 per knot warping and sizing charges which were formerly included under wages, are paid separately. According to the latest resolution of the conference, the rate of wages for 40s yarn is Re. 0–6–0 per knot. The payment of wages at Re. 0–8–0 per knot by the Society is therefore not in accordance with the resolution.

(4) In violation of by-law 8, the Committee refunded the share capital of the following members :—

General number.	Amount.
	RS.
586	20
547	23
873	5
792	15

The share capital of four other members amounting to Rs. 132 was refunded against the condition stipulated by the Co-operative Central Bank while sanctioning cash credit to the Society, viz., that no share capital should be refunded to members, till the cash credit was cleared. The society was indebted to the Central Bank to the extent of Rs. 1,26,774 under cash credit.

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The Committee replied that Gl. Nos. 586, 547 and 792 left the area of operations of the Society and that another member Gl. No. 573 died. It further stated that only Rs. 107 out of Rs. 132 were refunded to the four other members as they were residents of the Kaza village which was not in the area of operations of the Society.

The Deputy Registrar reports that Gl. Nos. 586, 547 and 792 have not left the area of operations of the Society but that they only went out temporarily to eke out their livelihood due to the present distress. The Committee did not say anything about the refund of share capital to Gl. No. 873, instead it stated that Gl. No. 573 was dead, about whom there was no mention in the notice. The Deputy Registrar further reports that the statement that the four members to whom share capital of Rs. 132 was refunded were residents of Kaza village, is not correct. A sum of Rs. 97,747–14–4 was outstanding to the Guntur Central Bank under cash credit on 7th January 1953 and the Society should not have refunded share capital to the members till the said amount was paid back as per the loan sanction order.

(5) The Committee appointed the following employees of the Society though they did not possess the prescribed qualifications:—

Name.	Age.	Qualifications.
(i) Sri K. Narasimhaswami ..	50	Nil.
(ii) Sri V. Venkateswarulu ..	25	Nil.
(iii) Sri B. Subba Rao ..	21	S.S.L.C.

The Committee stated that weavers' societies generally required staff with better practical knowledge in weaving than the educational qualifications and that the three employees were appointed taking into consideration their experience in weaving.

This explanation is not acceptable. The special by-laws governing the service conditions of the employees were approved by the general body of the Society and registered by the Deputy Registrar. The Committee should adhere to these by-laws. It has failed to act up to its own by-laws.

(6) The Committee opened a branch at Kaza village which was not in the area of operations of the Society.

The Committee stated that the branch was opened by the previous Committee and that on 9th July 1952 the general body passed a resolution to include Kakani and Kaza villages in the area of operations of the Society.

The Deputy Registrar reports that as the members of Kaza and Chinakakani villages wanted a separate society for themselves. the two villages were deleted from the area of operations of the Mangalagiri Weavers' Co-operative Society and that the depot at Kaza was closed after the registration of the amendment on 30th

May 1952. But, the present Committee after it assumed office re-opened it with a view to strengthen its party though its request to re-include the two villages was not accepted and the amendment to the by-law was not registered. The re-opening of the branch at Kaza which is not in the area of operations of the Society is irregular.

(7) There is keen faction among the members of the Society. The Committee expelled 15 members contrary to the by-laws of the Society. Two directors of the Society Sri G. Suryanarayana and Sri P. Nagabhushanam filed a petition before the Deputy Registrar, Guntur, against the actions of the President. There are two parties among the members each trying to wreak vengeance on the other at the cost of innocent weaver members.

The Committee stated that there was perfect harmony among the members of the Society but that the ex-directors were creating troubles. It further stated that the 15 members referred to were expelled because they were causing obstructions in the smooth working of the Society at the instigation of the ex-President.

There is no harmony among the members of the Society. The present Committee complains of the mismanagement of the previous Committee, while several petitions have been received by the Deputy Registrar, Guntur, complaining about the mismanagement of the Society by the present Committee. The Committee states that the two directors Messrs. G. Suryanarayana and P. Nagabhushanam gave a statement that they never sent a petition to the Deputy Registrar against the management. The Deputy Registrar states that they have only gone back upon their previous petition to him and that the Committee expelled 15 members belonging to the opposite group when it had no powers to do so. This indicates that the affairs of the Society are torn by faction. The other statements of the Committee are irrelevant.

2. The foregoing facts show that the Committee has not been functioning properly. The Society is divided into two groups, one headed by the present President Sri K. Venkata Ratnam and the other by Sri D. Ramakantha Rao, ex-President. The smooth working of the Society is affected on account of their quarrels and the poor and innocent members suffer. The Guntur Co-operative Central Bank which was consulted in the matter has not sent its opinion. The Madras State Handloom Weavers' Co-operative Society which was also consulted has recommended the supersession of the Committee of the Society. With a view therefore to set right the defects and to safeguard the interests of the shareholders and creditors and to place the Society's affairs on a satisfactory basis and in exercise of the powers vested in me under section 43 (1) of the Madras Co-operative Societies Act VI of 1932, I supersede the Committee of the Mangalagiri Weavers' Co-operative Production and Sale Society, Limited, for a period of one year from 17th March 1953 and appoint Sri G. Manibhushanachari,

Senior Inspector, as its Special Officer to manage its affairs during the period of supersession. The President shall hand over charge of all the records, cash, properties, etc., of the Society to the Special Officer on the appointed date.

Under section 43 (3) of the said Act, I direct that the Society shall pay the Special Officer his grade pay plus 25 per cent over it, Dearness Allowance at Government rates and Travelling Allowance as per Madras Travelling Allowance Rules for the journeys performed in connexion with the business of the Society.

APPENDIX II.

[**Vide answer** to unstarred question No. 227 asked by Sri K. Govinda Rao **at the** meeting of the Legislative Assembly held on **29th July 1953, page 1652** supra.]

Statement showing the number and names, etc., of Major Irrigation Schemes under consideration in the Visakhapatnam district.

Serial number and names of the schemes. (1)	*Present stage.* (2)	*Extnet of ayacut to be irrigated.* (3)
1 Relligedda Anicut Schemes ..	Preliminary investigation has been completed. But the Government have directed that the detailed investigation be deferred till the enquiry under section 9 of the Madras Estates (Abolition and Conversion into Ryotwari) Act, 1948, is completed.	950 existing.
2 Providing 2′ 0″ falling shutters in Boddeti anicut caross Sarada.	Preliminary investigation has been done but these two schemes were deferred as the ayacut was likely to come under the Ramapadasagar Scheme.	150 new.
3 Lowering the sill level of Yedumulla dam by 2′ 0″ and providing 4′ 0″ falling shutters on it.	Do.	150 new.
4 Anicut across Bodderugedda near Gadigummi village.	The detailed investigation has been completed and the plans and estimate are under scrutiny.	670 existing. 3,380 new.
5 Dam across Sarada river at Mudurti village.	The scheme is under investigation by the local officers.	1,415 existing. 500 new.
6 Reservoir across the Gosttani near Baimahsinghi Railway Bridge.	The detailed investigation of the scheme is in progress.	5,840 existing. 6,000 new.
7 Reservoir across Gambirammagedda in Bheemunipatnam taluk.	Detailed investigation completed. The final proposals for sanctioning the scheme are under examination by local officers.	393 existing. 857 new.
8 Tuni or Thandava Reservoir Scheme at Gantivarikothagudem.	Detailed investigation has been sanctioned but the work has not been taken up yet.	4,500 new.
9 Reservoir near Ravanaphalli to store water of Varaha river.	The scheme has been sanctioned ..	1,656 existing. 100 new.
10 Tanavaram channel	Work under execution	598
11 Venkatarayudu tank ..	Scheme sanctioned. Work not yet commenced.	(Information not readily available.)